GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2128
ANSWERED ON:12.12.2008
DEFAULT IN PAYMENT OF LOAN TO BANKS
Chowdhury Shri Adhir Ranjan;Nikhil Kumar Shri

Will the Minister of FINANCE be pleased to state:

(a) whether several export-oriented companies and real estate players are defaulting in repayment of loans to banks;

(b) if so, the details thereof; and

(c) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): In the wake of current global financial crisis and its impact on the Indian economy, various business and industry organisations including those representing export and real estate sectors, have represented to the Government regarding their demands and also expressed their difficulties in repayment of loans to the banks.

(c) Government and Reserve Bank of India (RBI) have issued various relief packages to provide relief to various sectors of the economy including the export and real estate sectors, such as, reducing provisioning and risk weight on home loans, interest subvention on export credit for labour intensive exports, allocation of additional funds for full refund of Terminal Excise Duty/CST and for export incentive scheme, etc. The detailed press releases of the relief packages issued by RBI and the Government are available at websites www.rbi.org.in and www.pib.nic.in respectively.